

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 3397 - SB 3636

March 14, 2012

**SUMMARY OF BILL:** Requires a city or county considering either building a facility or approving plans for a facility within one mile of an abutting city or county which facility may be a danger to the health, safety or welfare of its citizens, to not only give notice to its citizens but must also provide advance notice to citizens in the abutting city or county residing within a one-mile radius of the location of the proposed location of such facility at least 90 days prior to the date a final determination will be made.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – The increase in local government expenditures will be dependent upon several factors: the number and types of facilities that will be classified as a danger; the type, frequency, and cost of notification provided to property owners; the number of occurrences; the county(s) that will be impacted; and the population density of the area within a one-mile radius of the proposed site. Due to several unknown factors, a precise fiscal impact cannot be determined; however, it is estimated that the increase to local government expenditures for newspaper and mail notification prior to final determination will exceed \$25,000.\***

Assumptions:

- It is assumed that in the event a city or county plans to approve or build a building which may endanger the health and safety of its citizens, all expenditures associated with the required notice will be incurred by local governments.
- This estimate assumes that newspaper and mail notification will be provided by the city or county.
- Publishing any additional legal notices in statutorily required local newspapers will increase local expenditures.
- The bill is not specific as to the kind of facility that will be considered to be a danger to the health, safety or welfare of its citizens.
- The cost to publish any of the required notices in the local newspaper will depend upon several unknown factors including the extent of such actions by local governments; the extent of notices that local governments will be required to publish; the size and length for any required notification; the duration of publication for any required notification; and the rate charged for any required notification.

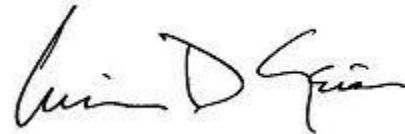
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- Notice must be given to the affected property owners in the county or city where such proposed facility is to be located and to the citizens of an abutting city or county within a one-mile radius of the location of the proposed facility.
- Depending on the area affected, local governments will incur costs for mailing notice to residents. The greater the population density of the affected areas, the greater the cost of mail notification.
- Due to the extent of unknown factors, a precise fiscal impact to local governments is difficult to quantify. However, it is reasonable to estimate that this legislation will result in a recurring increase in local expenditures exceeding \$25,000.

*\*Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

### **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Lucian D. Geise', written in a cursive style.

Lucian D. Geise, Executive Director

/rct